

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

ARSHAK PETROSYAN,

Defendant.

Cause No.:1:11-CR-00220-TWP-KPF -02

FACTUAL BASIS

The United States of America, by Joseph H. Hogsett, United States of America, and Bradley P. Shepard, Assistant United States Attorney, and the defendant, Arshak Petrosyan, in person and by counsels Gregory Brand, hereby file this stipulated factual basis in support of the defendant's plea of guilty.

On the 24th day of October 2011, at approximately 1:00 am, the Greenfield Police Department responded to a 911 call, which identified two individuals acting suspiciously around gas pumps at a gas station in the parking lot of Wal-Mart, 1965 North State Street, Greenfield, Indiana. The caller stated that one of the individuals was last seen driving away in a black minivan leaving the second individual at or around the gas pumps. Greenfield Police knew that the gas station was closed at 1:00 am.

Upon the Greenfield Police's arrival at the aforementioned location, Greenfield Police found an individual, later identified as Arshak Petrosyan, at or near Murphy Oil Gas Station's gas pumps at the Wal-Mart. Petrosyan was looking at the gas pumps and was holding a plastic

"Walgreens" bag at the time police officers arrived.

Greenfield Police identified themselves and after multiple commands stopped Petrosyan and performed a Terry stop and frisk. During the frisk, the officers found in the Walgreens bag two devices that had wiring harnesses with connectors on the ends (scanning receivers). Officers began to speak with Petrosyan. Petrosyan was unable to explain to the Greenfield Police Officer where he was staying or why he was outside of the Murphy Oil Gas Station.

Greenfield Detectives arrived and upon viewing the devices, thought that the two devices that Petrosyan had in his Walgreen bag were a type of "Skimmer" (scanning receivers). Petrosyan was placed under arrest and read his rights. Petrosyan was more completely searched subject to his arrest where an iPhone was found and confiscated. Both scanning receivers found on Petrosyan's person were manufactured specifically to be compatible with the inner-workings of said gas pumps. The scanning receivers were designed to be placed inside the gas pumps in a manner that trapped/collected the credit card information as it is being wired from the gas pump to the credit card company.

Additional Greenfield Police officers arrived and located Albert Vardanian in the Wal-Mart parking lot near a black minivan. Greenfield Police identified themselves and began to question Albert Vardanian to determine if he was the subject that had left Petrosyan at the gas pumps. When Greenfield Officers told Vardanian that they were going to pat him down for Officers safety, Vardanian removed one access device, a credit card, from his pocket and threw it away from the officers. The access device was collected by the Greenfield Officers. Witness One approached the Greenfield Police Officers and stated that he/she had witnessed Vardanian throw something into the bushes adjacent the black minivan in the Wal-Mart parking lot before

Vardanian was approached by the Officers. Greenfield Police Officers searched aforementioned bushes and found a discarded scanning receiver (similar to the two scanning receivers found on Petrosyan). Further investigation through Wal-Mart video surveillance confirmed Witness One's statements to the actions of Vardanian discarding a scanning receiver. Vardanian was placed under arrest by the Greenfield Police Department. A more complete search of Vardanian person revealed that Vardanian was in possession of an Apple iPhone, Ser# CQFFY0NDDP7.

After being read their Rights, both Albert Vardanian and Arshak Petrosyan were independently interviewed by the Greenfield Police. Both stated that they had traveled together from California and were staying together in a Motel 6 on the North side of Indianapolis. Both individuals additionally stated that they are owners of businesses and were looking to see "were people hung out", so that they might know where to open a new store.

The credit card that Vardanian had thrown away was ran by Special Agent Lake through a card reader. It was determined to have an altered magnetic strip which contained Victim One's credit card account information and name. Victim One¹ was later contacted and stated that Albert Vardanian did not have permission to possess Victim One's credit card account information.

A Greenfield Police Officer obtained an Indiana State Search Warrant for the black minivan that Vardanian was driving. Upon entry into the vehicle the Greenfield Police Department took, among other things, into evidence a Dell Inspiron 1525 Laptop, Ser# NLE71313648; a Blueproton Thumb drive, Ser # B69A90077659; and a USB connection wire specifically modified to connect the scanning receivers that were found on Vardanian and

¹A later search of the Computer revealed that Victim One's account information was stolen from a gas pump in Denver, CO during March 2011. Vardanian's flight records put him in Denver at the time Victim One's account was stolen.

Petrosyan's person.

Officers located Vardanian and Petrosyan's hotel room, and after the hotel evicted the two, officers accompanied employees of the hotel into the room and secured their abandoned property. Among the items found were two more re-encoded credit cards and a set of keys which opened ATMs and gas station pumps. Also recovered were flight records indicating that the defendants traveled together.

Search warrants were obtained for the electronic storage media located in the van. An initial preview was performed on the Dell laptop. Among the information discovered were 130 stolen credit card numbers, and numerous documents indicating how to build and place scanning receivers or skimmers. The preview was also able to determine that the laptop had accessed the scanning receivers, as well as three others not yet found. Among the 130 stolen credit card numbers were the three numbers which were found on the re-encoded cards recovered from the defendants.


In addition, the Secret Service has obtained Wal-Mart security video of both defendants using the re-encoded cards. On October 23, 2011, Petrosyan and Vardanian are recorded in the Walmart at 86th and Michigan Rd. In Indianapolis. Petrosyan is seen picking out specific items and handing them to Vardanian. Vardanian then pays for them with a credit card. Teller records reveal that this card carried the account information of Victim One (a female Doctor from Colorado). The card contained the triple track account code, including Victim One's name, account number, pin, and other security features placed upon the strip by the issuing bank. The triple track is only captured by a scanner receiver, not a mere skimmer.

The attempted dollar amount of fraudulent transactions associated with the compromised credit accounts was \$56,268.84, of which \$9,848.93 was actually obtained by the defendants.

Greenfield and Indianapolis are both within the Southern District of Indiana.

JOSEPH H. HOGSETT
United States Attorney

9/28/12
DATE



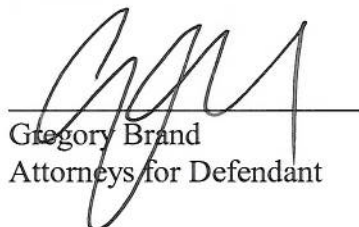
Bradley P. Shepard
Assistant United States Attorney

9-28-12
DATE



ARSHAK PETROSYAN
Defendant

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DATE



Gregory Brand
Attorneys for Defendant